

Pamela F. Faggert
Vice President and Chief Environmental Officer

Dominion Resources Services, Inc.
5000 Dominion Boulevard, Glen Allen, VA 23060
Phone: 804-273-3467



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OFFICE OF
WATER QUALITY

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OFFICIAL COMMENT

Ms. MaryAnn Stevens
Mail Code 65-40
Rules Section, Office of Water Quality
Indiana Department of Environmental Management
100 North Senate Avenue
Indianapolis, Indiana 46204-2251

Re: First Notice on Indiana's Antidegradation Standards and Implementation Procedures

Dear Ms. Stevens:

Dominion appreciates the opportunity to comment in this first notice of changes being considered to Indiana's antidegradation regulations for surface waters in title 327 IAC. We understand that this rulemaking process could take up to 2 years with additional opportunity for public comment after a draft rule is approved by the Indiana Water Pollution Control Board.

Dominion State Line, Inc.'s State Line Power Station is located in Hammond, Indiana on Lake Michigan, a designated Outstanding State Resource Water (OSRW-Tier 2.9). In 1997, Indiana adopted antidegradation implementation procedures only for the Great Lakes Basin and State Line has therefore been subject to these regulations since that time. The current rulemaking proposes to extend antidegradation requirements to all surface waters of the state with potential changes to how the rule is implemented, including in OSRWs.

The first notice lists several alternatives or issues under consideration in drafting a proposed rule and we offer the following comments on them:

1. **Applicability** – We agree with the current approach that an antidegradation review is required when a new or increased discharge triggers the need for a new or modified NPDES permit limit due to a significant lowering of water quality above a de minimus allowance. We support continuing a de minimus aspect for OSRW waters in the applicability section for which antidegradation procedures do not apply.
2. **Mixing zones** – We understand that the current approach is to define a de minimus level as the background level for OSRW waters, without considering

any mixing. Dominion believes it is appropriate to consider mixing and mixing zones, especially in high volume waters such as Lake Michigan.

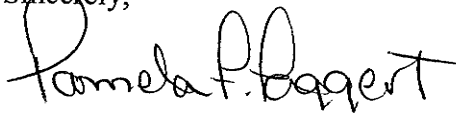
3. Exemptions – Dominion supports the inclusion of a provision in the proposed regulations that a determination in accordance with Section 316(a) of the Clean Water Act concerning alternative thermal effluent limitations be considered consistent with the antidegradation standards. These determinations or variances involve comprehensive scientific studies to assure the protection of aquatic communities and therefore it is appropriate to exempt this action from antidegradation reviews.

In addition, any new rules should maintain the exemption of any new wastewater discharge that occurs as a result of a federal or state requirement to install air pollution control equipment. If not exempted, at a minimum a streamlined review process should be developed that has been discussed among the various stakeholders.

4. Social/Economic review – Dominion supports expanding the list of factors in a social/economic justification to allow the lowering of water quality to include positive benefits to the area of the discharge as well as negative impacts.
5. Watershed projects – To allow an individual discharger to comply with antidegradation requirements in OSRW's, watershed projects should be allowed. Dominion supports the option to allow either the implementation of a water quality project in the watershed of an OSRW or the payment of a fee, with a cap, based on the type and quantity of the increased pollutant loading.

If you have any questions concerning these comments, please contact Jud White at 804-273-2948.

Sincerely,

A handwritten signature in black ink that reads "Pamela F. Faggert". The signature is written in a cursive, flowing style.

Pamela F. Faggert